

EXXON RESTRICTS CAPITAL INVESTMENTS

Lago special projects affected

Due to world-wide market conditions and the uncertain outlook in the oil industry, Exxon has called on all affiliates, including Lago, to restrain capital investments. Most of Lago's major capital projects planned during the past few years have been affected by this restraint. Those projects, estimated to cost over \$100 million and planned for execution over a period of five years, are being overseen by the Special Projects Department established in September of 1980.

In March of 1981, Lago signed a contract with Procon Incorporated, an international engineering/construction company, to be the prime contractor for the engineering, procurement and construction of these special projects.

These projects included a Grassroots Butane Isomeriza-

tion Unit, the Utilities Modernization Project, Visbreaker Debottlenecking projects, and a large number of energy conservation projects resulting from an energy conservation survey conducted by ER&E in early 1980. "Upon receipt of the capital restraint notice from Exxon, as well as changes in other economic factors, the total budget for these special projects was reduced to about \$60 million over the same time period (through 1985). At this level of capital expenditure it is more cost effective for Lago to assume complete responsibility for construction of these projects, utilizing local contractors directly, rather than through the prime contractor," said Marciano Angela, Manager of the Special Projects Department.

(Cont. on page 7)

ARUBA



NEWS

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EXXON TA REDUCI CAPITAL DI INVERSION

Proyectoran di Lago a wordo afecta

Como resultado di e condicion mundial di mercado y e incertidumbre di e industria petrolera, Exxon a haci un yamada riba tur su afiliacion, incluyendo Lago, pa pone un restriccion riba inversion di capital.

Mayoria di e proyectoran cu ta exigi mas hopi capital, cu a wordo planea durante e ultimo anjanan, a wordo afecta pa e restriccion aki. E proyectoran ey, calcula na un gasto di mas di \$100 miyon y planea pa ejecucion den un periodo di cinco anja, ta wordo maneha pa Special Projects Department, cual a ser estableci na September 1980.

Na Maart 1981, Lago a firma un contract cu Procon Incorporated, un compania internacional di ingenieria y construccion, pa ta e contratista principal di ingenieria, percuracion y construccion di e proyectoran special aki. E proyectoran ta inclui un Unidad nobo pa Isomerizacion di Butano, un Proyecto di Modernizacion di Utilidad, Proyecto di Conversacion di Visbreaker, y un cantidad di proyectoran pa conservacion di energia cu a wordo planea despues cu un enuesta di conservacion di energia a wordo conduci pa ER&E na comienzo di 1980. "Ora cu Lago a recibi notificacion di Exxon pa restringi capital, y ora cu cambionan a tuma lugar den economia, e presupuesto total di e proyectoran special a wordo baha te cu \$60 miyon durante e mesun periodo (te cu 1985).

Na e nivel aki di gastonan di capital, a resulta di ta mas economico pa Lago tuma tur responsabilidad pa construccion di e proyectoran, usando contratistanan local directamente, en vez di traha via e contratista principal

(Procon)," Marciano Angela, Manager di Special Projects Department, a bisa.

Un convenio cu Procon a wordo haci den cual Procon a haci entrega di tur responsabilidad di construccion desde dia 1 di Juli, 1982. Sinembargo, Procon lo sigi encarga cu ingenieria y percuracion di actividadnan di e proyectoran, y un cantidad chiquito di miembran di gerencia di construccion di Procon a wordo integra den e organizacion di construccion di Special Projects, encabeza pa Luis Anjie.

(Cont. riba pag. 6)



Siete graduado di school secundaria a obtene un beca di Lago pa sigi un estudio den exterior. Pará, di robez pa drechi, Willem Brinkman, Edward Oduber, Yat Ming Than y Rene de Meza. Sintá, Arturo Croes, Mabel Arends y Harry Le Grand.
(Articulo riba pag. 2)

ARUBA

Lago Oil & Transport Co., Ltd.



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LSF awards seven, and renews 54 grants

The Lago Scholarship Foundation, in its 26th year of existence, has granted seven new scholarships and renewed 54 grants for the 1982/1983 school year.

Up to this year, Lago has made it possible for 441 persons to acquire a profession abroad, starting with the first 40 grants awarded at the Foundation's birth in 1957.

All applicants for Lago scholarships are subjected to the following criteria: results of the Lago test and the Scholastic Aptitude Test, the applicant's scholastic record, whether the chosen college/university is accredited and professionally recognized, whether the desired course of study would fulfill Aruba's needs, and the applicant's financial need.

"Based on the above, the LSF Board, consisting of six members, decides which applicants have the most potential for successfully completing their studies.

As long as children of Lago employees - who meet the above criteria - have a good chance of succeeding in their course of study, they will be given priority over non-employee's children," said Carlos de Cuba, Secretary/Treasurer of the LSF.

During his study, the student has to maintain acceptable grades as stipulated in the academic standards set by the Foundation.

"The only other obligation the recipients of Lago scholarships have is to return to Aruba upon graduation and work here for a minimum of three years. They are not required to work at Lago, although it is hoped they will apply at Lago upon completion of their studies," said Carlos.

The new recipients of the 1982/1983 Lago scholarship awards are as follows: Mabel Arends, daughter of Everaldo Arends of the Controller's Department, Chemical Engineering, Tulane University; Willem Brinkman, son of Willem Brinkman of the Industrial Security Department, Electrical Engineering, University of South Carolina; Edward Oduber, son of annuitant Hendrik Oduber, Chemical Engineering, Worcester Polytechnic Institute; Harry Le Grand, son of annuitant Nivola Le Grand, Electrical Engineering, Polytechnic Institute of New York; Yat Ming Than, Mechanical Engineering, Worcester Polytechnic Institute; Arturo Croes, Electrical Engineering, University of Hartford; and Rene de Meza, Mechanical Engineering, HTS Haarlem.

On behalf of Lago, congratulations and success!



Willem Brinkman, father and son, signing the LSF contract in the presence of C. de Cuba.



Mabel Arends hunto cu su tata Everaldo Arends di Controller's ta scuchando atentamente na e splicacion cu G. Nicholson ta duna di e contract di beca.

LSF a otorga 7 beca y ta renoba 54

Lago Scholarship Foundation, den su di 26 anja di existencia, a otorga siete beca nobo y a renoba 54 beca pa e anja escolar di 1982/1983.

Te cu e anja aki, Lago a haci posibel pa 441 persona adquiri un profesion den exterior, cuminzando cu e prome 40 becanan otorga na e principio di e establecimiento di e Fundacion na 1957.

Tur cu aplica pa un beca di Lago ta suheto na e siguiente criterionan: resultado di e test di Lago y e Scholastic Aptitude test, e aplicante su gradonan di school, si ela scoge un colegio/universidad acredita y profesionalmente reconosi, si e estudio cu e ta desea di sigi lo yena un necesidad na Aruba, y e aplicante su necesidad financiero.

"Basa riba locual a wordo menciona aki riba, e directiva di LSF, consistiendo di seis miembro, ta dicidi cual applicantenan tin mas potencial pa termina nan estudio exitosamente. Mientras cu jiunan di empleado di Lago - cualnan ta qualifica segun criterionan arriba menciona - tin un posibilidad grandi di termina nan estudio cu exito, nan lo hanja prioridad riba jiunan di no-empleado," Carlos de Cuba, Secretario/Tesorero di LSF a bisa.

Durante su estudio, e estudiante mester mantene gradonan aceptable, manera ta stipula den e reglanan academico di e Fundacion.

"E unico otro obligacion cu esnan cu a hanja beca di Lago tin, ta regresa Aruba despues di graduacion, y traha akinan pa un minimo di 3 anja. No ta obligatorio pa nan traha na Lago, aunque ta wordo spera cu nan lo aplica na Lago ora nan completa nan estudio," Carlos a bisa.

Esnan cu a ricibi beca di Lago pa 1982/1983 ta manera ta sigi: Mabel Arends, jiu di Everaldo Arends di Controller's Department, Ingenieria Quimica, Tulane University; Willem Brinkman, jiu di Willem Brinkman di Industrial Security Department, Ingenieria Electrica, University of South Carolina; Edward Oduber, jiu di pensionista Hendrik Oduber, Ingenieria Quimica, Worcester Polytechnic Institute; Harry Le Grand, jiu di pensionista Nivola Le Grand, Ingenieria Electrica, Polytechnic Institute of New York; Yat Ming Than, Ingenieria Mecanica, Worcester Polytechnic Institute; Arturo Croes, Ingenieria Electrica, University of Hartford; y Rene de Meza, Ingenieria Mecanica, HTS - Haarlem. Na nomber di Lago, masha pabien y exito!



SERVICE MILESTONES



Hyacintho Carolina
30 service years



Rene Lamp
30 service years



Mederica Albus
25 service years



Michel Landaiche
25 service years

* * NEW FACES * *



Lilian Fortin
Controller's



Luis Rasmijn
Mechanical

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Serio Romney
Mechanical



Ellen Sklaver from ER&E
Technical



Rudolf Dorsman
Technical



Edwin Young
Technical



Gerard Geerman
Mechanical



Rigoberto Maduro
Mechanical



John Toney
from Baton Rouge Refinery
Technical



Albert Dirksz
Mechanical



Roland Colina
Mechanical



Romualdo Werleman
Mechanical



Participante den un curso di Statistiek, instrui pa Leonard Hartmann di Controller's Department.

OPEC

A look into the 80's

In the last two issues, the background, birth and development of OPEC was presented.

The following part is the conclusion of that series of articles.

In response to this problem (the breakdown of OPEC's unified pricing system, resulting from the Iranian Revolution in 1979) and to the fierce upward pressure of demand, and in an effort to narrow the price gap within the organization, the price of Arabian light was raised several times in 1979 and up to \$/B 28 as of May 1, 1980. In November 1980 the Arab light was increased to \$/B 32, while in October 1981 it went to \$/B 34.

These price increases coincided with a general economic recession that caused some decline in product demands. More important, however have been the results of the oil consuming countries' efforts for conservation and substitution of the overpriced products resulting in a total world demand drop of 8% in 1981.

OPEC in 1982

The organization started 1982 expecting a reversal of 1981's crude oil demand slump. But the market discredited that projection in January despite the severe weather during that month.

The members were under pressure to reduce their output to the level of demand and in an emergency meeting held in March it was decided to establish a production ceiling of 17.5 MBD versus 20.7 earlier 1982 and maintain the crude marker price at \$/B 34.

According to OPEC, this reduction in production is sufficient to eliminate the current surplus of stocks and stabilize the market by 3rd quarter of this year. If stronger actions are still required the Saudi's may cut deeper to ease the downward pressures on spot markets. It is felt that once buyers are convinced that OPEC's actions will arrest the price pressures and that the marker price will hold, a steadily stronger call will be made on production. Some analysts on the other hand consider the \$/B 34 crude marker price unrealistically high and feel that some OPEC countries might cut their prices unilaterally to boost sales and maintain their revenues. This can jeopardize OPEC's pricing structures and with the seasonal summer slump in demand, frictions within the organization are likely to increase.

Time will tell!

OPEP

Den anjanan '80

Den e ultimo dos edicionnan, e background, nacemento y desaroyo di OPEP a wordo presenta. E siguiente parti ta e conclusion di e serie di articulo ey.

Como un reaccion riba e problema aki (e quiebra di e sistema di prijs unifica di OPEP, cu a resulta di e Revolucion Iranas na 1979) y riba e acceleracion di presion pa demanda, y den un esfuerzo pa reduci e diferencianan den prijs den e organizacion, e prijs di e light Arabe a wordo aumenta diferente baha na 1979 y te cu \$/B 28 desde 1 di Mei, 1980.

Na November 1980, e light Arabe a wordo aumenta na \$/B 32, mientras cu na October 1981 ela subi na \$/B 34. E aumento di prijs aki a coincidi cu un recession economico general cu a causa algun reduccion den demanda pa producto.

Sinembargo, mas importante ainda tabata e esfuerzonan cu paisnan consumidor di petroleo a haci pa conserva y substitui e productonan cu tabatin prijsnan demasiado halto, resultando den un reduccion total di 8% di demanda mundial na 1981.

OPEP na 1982

E organizacion a cuminsa 1982 sperando un cambio den e fracaso di demanda di petroleo crudo den 1981. Pero e mercado a desacredita e proyeccion ey na Januari apesar di e invierno severo durante e luna ey.

E miembranan di OPEP tabata bao presion e ora ey pa reduci nan produccion na e nivel di demanda y den un reunion di emergencia cu a wordo teni na Maart, a ser dicidi pa establece un produccion maximo di 17.5 MBD compara cu 20.7 na comienzo di 1982, y mantene e prijs fiho di crudo na \$/B 34.

Di acuerdo cu OPEP, e reduccion den produccion aki ta suficiente pa elimina e sobrante actual di producto y stabiliza e mercado pa e di tres trimester di e anja aki. Si ainda accionnan mas fuerte ta necesario, e Saudi-nan lo reduci produccion mas ainda pa disminui e presion cu tin pa baha prijs riba mercado liber.

Ta existi un sentimento cu una vez cu cumpradornan ta convenci di cu OPEP su accionnan lo detene e presion di prijs, y cu e prijs fiho lo wanta, un yamada cada vez mas fuerte lo wordo haci pa aumenta produccion.

Algun analista, di otro banda, ta considera e prijs fiho di crudo di \$/B 34 demasiado halto y ta sinti cu algun paisnan di OPEP lo por baha nan prijs unilateralmente pa aumenta nan venta y mantene nan entrada.

Esaki por trese OPEP su structura di prijs den peliger, y awor, cu e demanda floho cu regularmente ta tuma lugar den verano, probablemente desacuerdonan den e organizacion lo aumenta.

Tempo lo bisa.



Twelve Mechanical Department employees successfully completed a course in Basic Electronics and Electricity.

Your choice: smoking or health?

Commercial advertising gives smoking a clean, fresh image: A healthy looking man riding a horse in a wide green field, enjoying his cigarette. Does that image portray reality?

Research on smoking has not yet been conducted in Aruba, but according to a U.S. government report, "cigarette smoking is clearly identified as the chief preventable cause of death in our society and the most important public health issue of our time."

Smoking in the U.S. alone is responsible for some 340,000 deaths annually.

Financially speaking, smoking accounts for \$13 billion a year spent on smoking related health care and at least another \$25 billion in lost production and wages.

It could not be said any stronger! What advertising claims, facts contradict.

While science is trying to find solutions to solve mankind's problem of temporary existence, smokers are voluntarily reducing their life span by a few years: A smoker actually doubles his risk of dying before the age of 65. Even smokers of cigarettes with low tar and nicotine concentration have higher death rates than non-smokers, as they have the tendency to satisfy their desire for nicotine by smoking more and by increasing the degree of inhalation.

Heart trouble, chronic lung and respiratory diseases, lung cancer, cancer of the lip, tongue, mouth, throat and urinary bladder are some of the diseases caused by smoking. According to the World Health Organization

report, in countries where smoking is widespread it accounts for 90% of lung cancer deaths and 75% of deaths from bronchitis. In other words, 90 out of a hundred deaths caused by lung cancer and 75 out of a hundred deaths caused by bronchitis could have been avoided if those individuals never took up smoking!

Lung cancer, which accounts for a fourth of all cancer deaths, fails to respond to treatment. According to a report: Only 10% of its victims survive five years after diagnosis.

Not surprisingly, parallel studies have shown that lung cancer is soon likely to replace breast cancer as the leading cause of cancer deaths among women. There has in recent years been a steady increase of smoking among women.

As if it were not enough to endanger one's own life, pregnant women who smoke can cause the deformation or death of their own fetus. One doctor said that "you could see the child suffocate in the matrix ... probably suffering from a temporary lack of oxygen." If this child is not aborted from the mother's womb, he might have a lower than normal weight at birth, have a premature birth, die right after birth or live with birth defects. Justifiably then, the World Health Organization is trying to promote the idea that non-smoking should be regarded as a "normal social behaviour."

Not even adult non-smokers can escape the dangers caused by smoking. When accompanied by a smoker, or

(Cont. on page 6)



The summer training students attended an orientation program to become more familiar with their surroundings at Lago. A total of over 70 college students, (summer training



and summer employment), participated in Lago's summer programs this year.

Bo ta scoge: humamento of salud?

Propaganda comercial ta duna humamento un imagen limpi y fresco: Un homber saludable corriendo cabai riba un seld grandi y berde, disfrutando di un sigaria. Acaso e imagen aki ta pinta realidad?

Estudionan tocante humamento no a wordo conduci na Aruba ainda, pero segun un reportahe di gobierno di Estados Unidos, "Humamento di sigaria ta wordo identifica claramente como e mayor causa di morto preventible den nos sociedad y e problema di salubridad publico di mas importante den nos tempo. Na Merca so, humamento ta responsabel pa mas o menos 340,000 morto anual. Financieramente, humamento ta responsabel pa \$13 biyon anual cu ta wordo gasta na tratamiento di salud relaciona cu humamento y por lo menos un otro \$25 biyon mas pa produccion y salario cu ta bai perdi. Mas mihior esaki no por wordo mustra! Locual propaganda ta pretende, echonan ta contradeci.

Mientras cu ciencia ta trata di haya solucion pa resolve e problema di e existencia temporario di humanidad,

humadornan voluntariamente ta reduci nan longevidad cu un poco anja. Un humador realmente ta redobla su riesgo di muri prome cu 65 anja. Hasta humadornan di sigaria cu poco concentracion di breu y nicotina tin un grado di mortalidad mas halto cu hendenan cu no ta huma, ya cu nan tin e tendencia di satisfare nan deseo pa nicotina door di huma mas hopi y tambe aumenta e grado di tragamento.

Problema di curazon, malesanan cronico di pulmon y di respiracion, cancer di pulmon, lip, lenga, boca, garganta y blaas di urina ta algun di e malesanan cu ta wordo causa door di humamento. Segun e reportahe di e Organizacion di Salubridad Mundial, na paisnan na unda humamento ta extenso, humamento ta responsabel pa 90% di morto causa pa cancer di pulmon, y 75% di morto di bronquitis.

Cu otro palabra, 90 di 100 morto causa pa cancer di pulmon y 75 di 100 causa pa bronchitis lo por a wordo evita si e personanan ey nunca a huma!

(Cont.riba pag. 7)



Proyectoran di Lago . . .

(Cont. di pag. 1)

Na November di anja pasa e proyecto di Isomerizacion di Butano, cual tabata designa pa produci isobutano pa e unidad di Alkylacion, a wordo pospone pa un tempo indefini, ora cu e calculacion di e gasto definitivo a mustra un escalacion significante den e inversion di capital cu lo tabata necesario pa completa e proyecto.

Ademas, e ganashi di e inversion aki a wordo reduci mas ainda ora cu e desaroyo di un otro proyecto a mustra di ta requeri un inversion mas chiquito pa provee suficiente isobutano pa e Unidad Alky. E proyecto aki lo provee facilidad di suministracion di zeta pa e planta Hydrogeno a corto plazo pa asina reemplaza e butano importa for di Venezuela.

"E fase di construccion di e Proyecto di Modernizacion di Utilidad, cual tin como meta mejoracion di confiabilidad di equipo, condicion di seguridad, y eficiencia den conservacion di energia, ta programa pa sigi den "full swing" na fin di e anja aki y lo wordo completa na fin di '83," Rocky a bisa.

Den e proyecto aki dos boiler lo wordo instala, tres boiler lo wordo moderniza, un sistema di control central moderniza lo wordo instala na Powerhouse No. 1 y henter e planta di energia, lo wordo drecha na su mihor condicion.

E tereno pa e boilernan nobo a wordo habri y nivela kaba y nan ta programa pa wordo entrega na Januari '83. Boiler No. 11 ya a wordo desbarata y e restonan lo wordo completa na mitad di anja '84. E proyecto di Modernizacion di Utilidad ta envolve un gasto total di \$30 miyon.

Fase I di e Proyecto di Conversion di Visbreaker, cu ya a tuma lugar riba 3 pipestill ta bayendo manera programa.

Nan a wordo disenja pa logra 16% di conversion y pa

Smoking . . .

(Cont. from page 5)

being in a smoke-filled room, the non-smoker would be forced to inhale even higher concentrations of carcinogens (substance causing cancer) than the smoker himself! As a matter of fact, two studies have already indicated that the risk of lung cancer is greater in non-smoking women married to smokers than in non-smoking women married to non-smokers.

According to Dr. J.A.M. de Ruijter, Director of Lago's Medical Department, many Lago employees have stopped smoking over the years. "We urge cigarette smokers to stop, for there is evidence that if they do stop, many of the pathological changes would not progress and may even become normal again."

As one doctor put it: "The only cigarette that is not hazardous to your health, is the cigarette that has not been lit".

*
Over 30 university
students majoring in a
field of interest to Lago,
participated in the
summer employment
program this summer.
*

aumenta e cantidad di productonan mas valioso manera naphta, combustible pa keinta y gas oil. Visbreaker 5 y 6 ta cla, mientras cu e proyecto di Visbreaker No. 8, cual ta inclui instalacion di pomp y motor nobo, ta den fase di construccion y lo wordo termina na Oktober 1982. Fase II, cual lo aumenta e conversion te na nivel di 20% y ta requeri un inversion di hopi mas capital, a wordo pospone pa un tempo indefini. E motibo ta cu preguntan serio tocante e calidad di producto na nivel halto asina di conversion, mester wordo resolvil prome cu e proyectoran por sigi.

E proyectoran di conservacion di energia ta constitui e di cuatro area di proyecto principal cu a wordo afecta pa e restriccion di capital y e condicion mundial di e mercado petrolero. Tur e proyectoran cu a wordo identifica door di ER&E di tin un ganashi atractivo basa riba e pronosticacion di prijsnan di mercado den e tempo ev, a wordo desaroya y a pasa door di e fase di disenjo di operacion y especificacion y lo wordo calcula pa gastonan envolvi. Den e periodo di presupuesto ta cu 1985, lo tin 5 proyecto chiquito so di Encon cu awor tin suficiente ganashi atractivo di inversion pa wordo considera pa desaroyo den futuro. E suma total pa e proyectoran aki ta mas o menos \$15 miyon awor.

E resto di e proyectoran di Encon lo wordo pospone indefinidamente despues cu e investigacion pa calculacion di gasto wordo completa na fin di e anja aki.

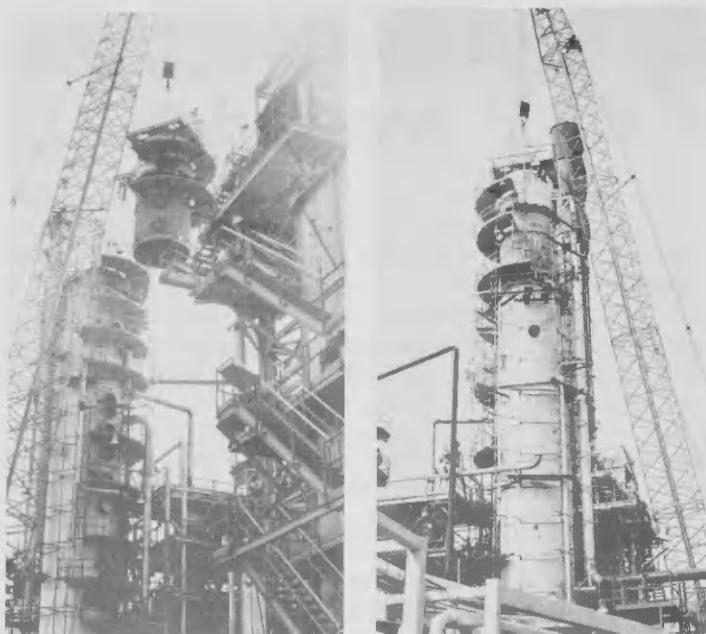
Cu e totalidad actual di e proyectoran principal cu ta exigi capital, construccion lo yega na culminacion den 1983 cu mas o menos 250 trahador, di cual mayoria lo ta trahador di contratistanan local.

STOP unsafe acts...

These are some of the (color) stickers, Safety Administration personnel have been pasting in different places in the refinery. (See also page 7)



Safety glasses may not enhance one's beauty, but would certainly prevent serious injuries.



As one of the major activities in the recent Pipestill No. 5 turnaround, 11 feet of the Kero Stripper was replaced for a new section.

Humamento . . .

(Cont. di pag. 5)

Cancer di pulmon, cual ta responsabel pa un cuarta parti di tur morto di cancer, no ta responde na tratamiento.

Segun un reportaje: Solamente 10% di e victimanan di cancer di pulmon ta sobrevivi despues di diagnosis. No ta sorprendente cu estudionan similar a mustra cu cancer di pulmon probablemente pronto lo reemplaza cancer di pecho como e causa principal di morto di cancer entre hende muher. Den anjanan reciente, a tuma lugar un aumento constante den humamento di hende muher. Como si fuera no ta suficiente cu un hende ta pone su mesun bida na peligro, hende muher humador cu ta na estado por causa deformacion of morto di nan mesun feto. Un dokter a bisa cu "bo por mira e jiu sofoca den e matriz . . . probablemente suriendo di un falta temporal di oxigeno."

Si e mucha aki no wordo aborta for di e matriz di e mama, e lo por nace cu peso mas abao cu normal, e lo por tin un nacemento prematuro, muri mes ora despues di nacemento of nace cu defecto. Ta hustificabel anto cu e Organizacion di Salubridad Mundial ta tratando di promove e idea cu abstencion di humamento mester wordo considera como un "conducta social normal."

Ni siquiera adultonan cu ta abstene di humamento por scapa di e peligronan cu humamento ta causa. Ora cu e persona cu no ta huma wordo acompanja pa un humador, of ora e ta den un kamber yen di huma, e ta wordo forza pa traga un concentracion mas halto ainda di e substancia cu ta causa cancer, cu e humador mes. En realidad, dos estudio ya a indica cu e riesgo di cancer di pulmon ta mas grandi den hende muher cu no ta huma cu ta casa cu humador, cu den hende muher cu no ta huma cu ta casa cu homber cu tampoco no ta huma. Segun Dr. J.A.M. de Ruijter, Director di Medical Department na Lago, cu tempo, hopi empleado di Lago, a stop di huma. "Nos ta avisa humadornan di sigaria pa stop, pasobra tin evidencia cu si nan stop, hopi di e cambianan anatomico y fisiologico lo no progresu y te hasta por bolbe na normalidad.

Manera un dokter a bisa: "E unico sigaria cu no ta peligroso pa bo salud, ta e sigaria cu no ta sendi."

Lago projects . . .

(Cont. from page 1)

An agreement has been reached with Procon whereby they relinquished responsibility for construction as of July 1, 1982. Procon will remain in charge, however, of the engineering and procurement activities on these projects, and a reduced number of Procon construction management personnel have been integrated into Lago's Special Projects construction organization headed up by Luis Anjie.

In November of last year the Butane Isomerization project which was to produce isobutane feed for the Alkylation unit was placed on indefinite hold when the results of the definitive cost estimate showed a significant escalation in capital investment to complete the project. The return on investment was further reduced when the development of another project to provide facilities for short range supply of Hydrogen plant feed to replace imported Venezuelan butane, showed that this lower investment project also will provide sufficient isobutane feed for the Alky unit.

"The construction phase of the Utilities Modernization Project, aimed at improving reliability of equipment, safety conditions, and efficiency in energy conservation, is scheduled to move into full swing by the end of this year and to be completed by the end of 1983," Rocky said.

This project involves the erection of two boilers, the modernization of three existing boilers, the installation of a modern centralized control system at Powerhouse No. 1 and a general upgrading of that powerplant. Sight clearance for the new boilers has already started and their delivery is scheduled for January of 1983. Dismantling of No. 11 boiler has been completed and the remainder will be completed by mid 1984.

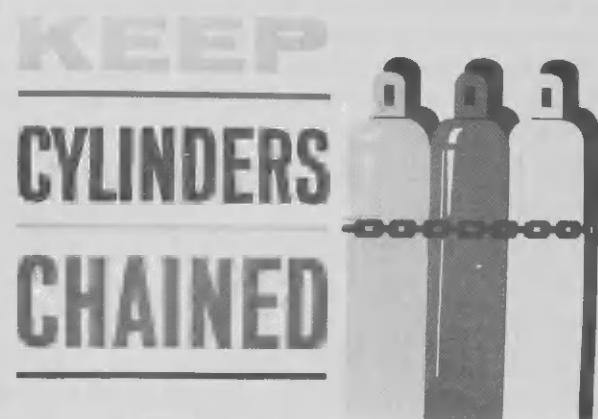
The Utilities Modernization Project involves a total expenditure of \$30 million.

Phase I of the Visbreaker debottlenecking projects undertaken on 3 pipestills is designed to achieve 16% conversion and increase the yield of higher valued products such as naphta, heating oil and gas oils, and is proceeding on schedule. Visbreakers 5 and 6 are complete, while the Visbreaker No. 8 project, which includes installation of new charge pumps and motors is in the construction phase and will be concluded in October 1982.

(Cont. on page 8)

STOP peligro...

Esakinan ta algun sticker (di color) cu empleadonan di Safety Administration a pasa plak na diferente lugar den refineria. (Mira pagina 6 tambe).



National Safety Council, Chicago

Printed in U.S.A.

Stock No. 189-22-45

Cilindernan cu ta contene gas ta peligroso pa seguridad ora nan wordo laga den posicion drumi of sin mara, ya cu asina nan por cai y causa explosion.

Promotions

Remigio Kelly
Loading Coordinator
Controller's



Elias Pellegrim
Discharging Coordinator
Controller's



Cinco ta haya beca di LEAP

Otilia Goeloe, Selma Chaljub, Rudolf Boezem, Enrique Maduro y Michael Wouters, tabata afortunado di a ricibi beca di LEAP (Lago Education Assistance Program) pa e anja aki.

LEAP ta wordo otorga na empleado di Lago cu tin por lo menos un anja di servicio, kende a demostra nan abilidad y motivacion pa continua cu un educacion den exterior, den un ramo cu ta di interes directo di Lago. Tila lo bai studia Business Administration na Bowling Green State University na Bowling Green, Ohio. Selma lo sigi e mesun estudio na Mitchell College na New London, Connecticut. Rudolf lo studia pa bira un Ingeniero Quimico na University of Ohio na Toledo, Ohio. Enrique y Michael ya kaba ta atendiendo Worcester Polytechnic Institute na Worcester, Massachusetts, na unda nan ta studiando Ingenieria Mecanica.

Hopi Exito!

Lago projects . . .

(Cont from page 7)

Phase II, which would increase conversion to the 20% level and require much larger capital investments, has been postponed indefinitely due to serious product quality questions at these higher conversion levels, that have to be resolved before these projects can proceed.

The fourth major area affected by the capital constraints and the world-wide market condition is the energy conservation projects. All the projects identified by ER&E to have attractive return on the then forecasted market prices have been developed through the process design

Five granted LEAP awards

Otilia Goeloe, Selma Chaljub, Rudolf Boezem, Enrique Maduro and Michael Wouters, were the fortunate recipients of this year's LEAP (Lago Education Assistance Program) awards.

The LEAP is awarded to Lago employees with at least one year of service, who have demonstrated their ability and motivation to further their education abroad, in a discipline of direct Lago interest.

Tila will be studying Business Administration at the Bowling Green State University in Bowling Green, Ohio. Selma will follow the same course of study at Mitchell College in New London, Connecticut. Rudolf will study to become a Chemical Engineer at the University of Ohio in Toledo, Ohio. Enrique and Michael are already attending the Worcester Polytechnic Institute in Worcester, Massachusetts, where they are studying Mechanical Engineering.

Lots of success!



Otilia Goeloe



Rudolf Boezem



Selma Chaljub

and specification phase and will be cost estimated. However, in the budget period through 1985, only five smaller Encon projects totalling about \$15 million now have attractive enough returns on investments to be considered for further development.

The balance of the Encon projects will be put on hold indefinitely after screening cost estimates are completed on them later this year.

With the current scope of major capital projects, construction will peak in 1983 at about 250 men level, the majority of which will be from the local construction workforce.